

WASHINGTON STATE DEPARTMENT OF REVENUE



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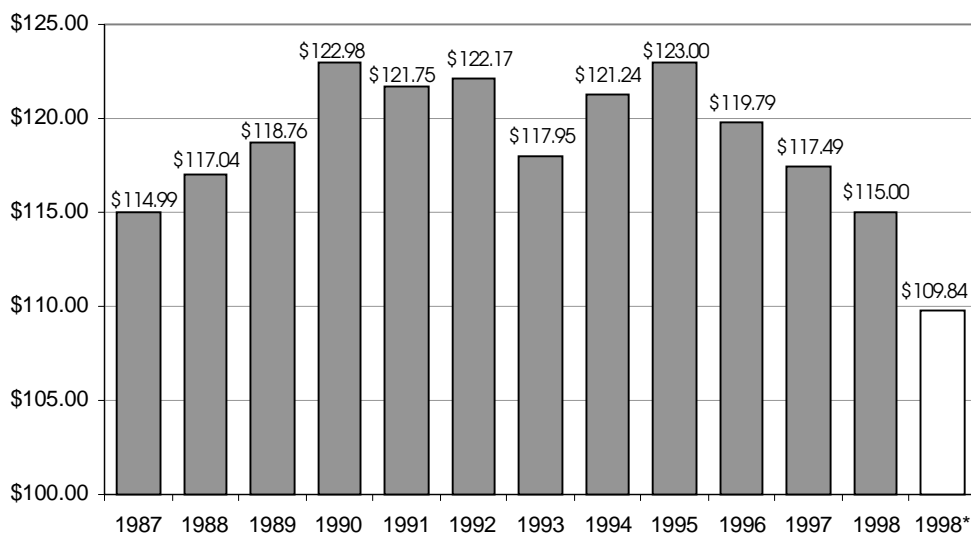
State & Local Tax Burdens Drop to 11-Year Low; Further Decline Expected

OLYMPIA, Wash., August 20, 2001 — State and local tax burdens in Washington declined to an 11-year low in fiscal 1998, according to an annual report published today by the Washington State Department of Revenue.

Washingtonians paid \$115 in state and local taxes per \$1,000 personal income in fiscal 1998, a reduction of \$2.49 from 1997. This reduced Washington's ranking among the states from 11th highest in 1997 to 17th in 1998. The \$115 figure is down \$8 from \$123 in 1995. It also is the lowest since 1987, when taxes were a penny less at \$114.99 per \$1,000.

The 1998 rankings do not take into account the elimination of the Motor Vehicle Excise Tax by voters because that tax was not removed until Jan. 1, 2000. Had the MVET been eliminated in 1998, Washington tax collections would have been \$109.84 per \$1,000 personal income,

Washington Taxes Per \$1,000 Personal Income
State & Local Taxes



*The column on the far right shows what 1998 tax burdens would have been had the Motor Vehicle Excise Tax been eliminated that year

(more)

reducing its state ranking to 26th.

Among neighboring states, Oregon's tax burdens dropped \$5.79 per \$1,000 to \$100.96, ranking it 41st, while Idaho taxes rose \$1.28 per \$1,000 to \$113.76 for a 20th ranking. Maine had the highest ranking nationally at \$144.46, and New Hampshire had the lowest at \$88.39. The U.S. average was \$111.70, up slightly from \$111.43 in 1997.

Washington ranked sixth among 13 Western states. New Mexico was highest at \$131.39 per \$1,000 and Nevada lowest at \$100.82.

The comparisons, based on data provided by the U.S. Census Bureau, also rank states by taxes per capita. Washington ranked 13th in 1998 by that measure, at \$3,038 per capita. This is \$175 higher than the national average of \$2,863.

For more information, please check the full report available in the statistical reports section of the agency's web site at dor.wa.gov.

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